

SECRET

10 December 1980

MEMORANDUM FOR THE RECORD

Staff Meeting Minutes of 10 December 1980

Mr. Carlucci chaired the meeting. []

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Hitz initiated a discussion on Congressional consideration of the pay cap bill. If the pay cap is lifted, Congressional salaries will go to \$70,000 and GS salaries to \$60,000; SIS salaries are not increased automatically, but Fitzwater explained that this could be taken care of. []

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Mr. Carlucci said that State Department had asked him to assist in getting Congressional confirmation for some Ambassadors. Hitz confirmed Mr. Carlucci's opinion not to become involved since there is no chance the Senate will get around to confirmation hearings this session. []

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There was a general discussion about today's Washington Post article (attached) which talked about a "hit list" prepared by the President-Elect's staff and which listed Ambassadors who will be fired after 20 January. Mr. Carlucci requested a copy of same. []

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Clarke noted that the transition team had requested a log of all activities the Senior Review Panel has been involved in since its inception. Clarke has drafted a response, which he will clear with Mr. Carlucci, asking the transition team for specifics. Clarke and Mr. Carlucci concurred that he is against allowing the transition team to look at all the SRP files since there is a great deal of "Internal Use Only" material. []

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Mr. Carlucci said that the transition team is interested in some DDO material and some SALT material which apparently was written by []

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[] He instructed that only finished intelligence products on SALT were to be furnished and questions on monitoring SALT should be handled by [] in an oral briefing. []

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SA/DDCI [] noted that General Rowney shares our concern for the leak of the transition team's interim report which appeared in the weekend media (see Staff Meeting Minutes of 8 December). The General has implemented new security measures. []

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Clarke said that at a meeting he had this morning with the Polish Task Force one of the analysts commented he was struck by the total lack of information coming out of Poland on what the average Pole thinks of the situation. Clarke said that since this type of reporting was an embassy responsibility, he had spoken with the D/INR about it, but he suggested to Mr. Carlucci that he might want to raise the subject with Under Secretary Newsom. []

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Clarke announced that, contingent upon the Director's final approval, NIE 11-3/8 is tentatively scheduled for NFIB on 16 December. Clarke passed Mr. Carlucci a note for the Director from the NIO/SP. []

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Lipton reported that OMB had reduced the additional funding for the [] and the funding for the [].

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Fitzwater noted that the Executive Committee discussed the issue of overseas compensation on 8 December and decided that a 10.16 percent increase in salary was justifiable since it equates to the increase received by State Department employees. Fitzwater said he had recomputed the figure using the formula Congress used to determine State Department's compensation and the result was close to the 10.16 percent figure. An inconclusive discussion about when to implement the compensation followed. []

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Fitzwater noted that [] people are scheduled to retire in December and January but that up to [] could leave by the deadline. []

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Fitzwater said our recruiters had cancelled a session at Temple University in Philadelphia because of possible demonstrations. In response to Fitzwater's query, Mr. Carlucci concurred in his judgment that in general we must resist such efforts, but each situation must be dealt with on a case-by-case basis. []

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[REDACTED]

In response to Wortman's question, Mr. Carlucci said he didn't think U.S. Embassy personnel in Poland would be in any serious danger if the Soviets intervene. [REDACTED]

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Wortman noted that since he has been DDA he has been impressed with the Agency's integrity in preparing the budget. He said, therefore, he was disappointed when his budget submission was cut without his being informed. [REDACTED] explained that the tight schedule he was forced to follow was the reason for this and offered his apologies. [REDACTED]

[REDACTED]

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Attachment

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ON PAGE A1

THE WASHINGTON POST
10 December 1980

Envoy Assails Reagan Aides On El Salvador

By Christopher Dickey

Washington Post Foreign Service

SAN SALVADOR, Dec. 9 — U.S. Ambassador to El Salvador Robert E. White today accused President-elect Ronald Reagan's advisers of "weakening my authority to carry out the policy of [the Carter] administration" in the midst of a crisis that threatens to destroy the U.S.-backed Salvadoran regime and could lead to expanding armed conflict and an extremist takeover.

"When civil war breaks out in this country, I hope they get their chance to serve," said White, his hands gripping the arms of the chair as he talked to two American reporters this morning.

His anger was focused on the leak to the press last week of a so-called "hit list," prepared by members of the Reagan transition team, that named White as one of several ambassadors accused of improperly acting as "social reformers" and slated for removal soon after Reagan's inauguration Jan. 20.

White, 54, a career diplomat, is also concerned about the unannounced presence in El Salvador last week of Cleto Di Giovanni Jr., a conservative Central American analyst with ties to several members of the Reagan transition team. White and other U.S. officials here said Di Giovanni had presented himself as being on an official mission for the incoming administration.

The message he carried, said an embassy official who met Di Giovanni during his visit, was that the Reagan team's public denials of support for a rightist military coup should be disregarded.

A spokesman for the Broad National Front, a leading right-wing organization, implied Di Giovanni was here to gather information for Reagan that would balance that provided by the Carter administration.

Reached in Washington, Reagan State Department transition team head Robert Neumann, repeating last week's denials, said today that the leaked "hit list" was neither policy nor official team recommendation. He said the documents were "a collection of

individual papers" written by team members and represented "the first cut" of opinions that may be part of the final recommendations sent to Reagan.

Also contacted in Washington, Di Giovanni said that he had gone to El Salvador on personal business and that he "did not represent Reagan nor have I ever represented Reagan" in this or any other mission. A former CIA official who served six years in South America, Di Giovanni said he currently operates a "security consultants" firm that helps Salvadoran businessmen learn to protect themselves against terrorist attacks.

Neumann also said that Di Giovanni "certainly wasn't sent by us" on a trip to El Salvador or anywhere else. Apparently referring to similar reports that have plagued the Reagan team over the past several weeks, Neumann said "we have half a dozen pretend emissaries all over the world who are complete hoaxes."

Another transition team member said that Di Giovanni, who has published a number of articles critical of Carter's policy in Central America, including one in the current edition of *The Washington Quarterly* co-authored with Reagan foreign policy advisor Roger Fontaine, informed the team he was traveling to El Salvador and asked if he could carry a message.

"Not only was he not authorized" to speak for the incoming administration, the team member said, "he was strongly discouraged" from making the trip because it was "thought perhaps he would be misunderstood."

The vehemence of White's charges indicate both the extent of the tension here and the depth of policy disagreements between the outgoing and incoming administrations in this part of the world. The situation also illustrates the strong belief of the right here that Reagan will abruptly change U.S. policy in the region.

After a year of widespread political violence and uncertainty, the current Salvadoran crisis began with the murder last month of five prominent leftist political leaders. It became extremely grave a week ago when four American women missionary workers were savagely tortured and killed.

U.S. aid to the government was suspended pending an investigation of the murders, and a special high-level U.S. diplomatic mission was sent here to look into the question of institutionalized violence and the government's stability. The team left El Salvador today and is expected to report to Carter later in the week.

The entire government of El Salvador is in the process of restructuring itself, and its final composition could be decisive not only in determining the immediate future of El Salvador, but of the entire Central American region, because of the danger of the conflict here spilling over into other countries.

The Carter administration has sought to establish and nurture a moderate coalition government of civilian and military men, which has instituted sweeping reforms in the 14 months since the ouster of Gen. Carlos Humberto Romero's corrupt conservative regime.

U.S. backing of the government, a five-member junta composed of two Christian Democratic politicians, an independent and two military representatives, has been largely successful, White believes, in undercutting what was a growing threat of leftist insurrection.

But both the left and the right have sought to undermine this policy. The orientation of the regime has become increasingly conservative, and since early November the extreme right has been marshalling forces both inside and outside the government to launch a coup to take control.

"Right now," White said, "in this critical juncture when there is clearly a lot of pressure being placed on military officers to move this government to the right, the various mixed and contradictory signals coming out of various people who think they speak for the Reagan administration have

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accentuated this problem and made the crisis much sharper."

White called a statement during a television interview by Reagan's top foreign policy adviser, Richard Allen, a helpful step in clearing up some of the misperceptions and confusion.

Allen, acting indirectly on a request by White, said on ABC's "Issues and Answers" that the Reagan administration will follow "a balanced policy . . . In the case of El Salvador the alternative to the existing junta today is extremism on either side."

But White said that the leaked report about ambassadors, reportedly prepared by Reagan State Department team member Pedro San Juan, "has struck a heavy blow at the Christian Democrats and moderate military officers" struggling to avoid a coup by undermining White's ability to reinforce their position.

This, White believes, will ultimately play into the hands of the radical left. "Progressive elements in the government, with our solid backing, have sought to defeat the violent left by instituting profound reforms designed to improve the terrible social conditions in this country that foster insurrection," White said.

These policies, which included one of the most sweeping land reform programs in Latin American history, the nationalization of the banks and of foreign commerce, "have succeeded," White said, "to the extent that the chances are overwhelming that the next administration will not have to confront the type of leftist threat that the Carter Administration had to confront over the past year.

"The policy of supporting a new model, a non-Marxist, prodemocratic model of profound social, political and economic changes has been successful in defeating the leftist drive," White said.

About attempts to put an end to "officially sponsored or tolerated violence" by the government White was less optimistic following the murders of the churchwomen and "six leftist leaders in broad daylight in the middle of El Salvador."

"This has brought into question whether there exists authority, will and ability to control these terrible abuses and this is the critical question before us," White said.